the experience of practical men who know their business, and also, as far as possible all the elaborate system built up by private enterprise and pay nothing for it, and there is the further certainty that, after the War, owners will be able without loss of time, to resume their regular services.

Yours very truly,
J. P. MACLAY."

This letter was laid by me before the War Cabinet on 12th February, 1917, when we gave careful consideration to the question of shipowners' profits and the nationalising of shipping. I was committed to the extent of the pledge I had given to the House of Commons in my speech on 19th December, 1916, which was in the following terms :—

" . . . *the Government felt the time had come for taking over more complete control of all the ships of this country and placing them in practically the same position as are the railways of the country* My pledge to the Commons *at this present moment;* so that during the War shipping will be nationalised in the real sense of the term. The prodigious profits which were made out of freights were contributing in no small measure to the high cost of commodities ; and I always found not only that, but that they were making it difficult for us in our task with labour. Whenever I met organised labour under any conditions where I would persuade

them to give up privileges, I always had hurled at me phrases about the undue and extravagant profits of shipping. This is intolerable in wartime, when so many are making so great sacrifices for the State."